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S. 1582

IN THE SENATE OF THE UNITED STATES

MARCH 30 (legislative day, MARCH 10), 1955

Mr. YOUNG introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

A BILL

To amend Public Law 727, Eighty-third Congress, so as to extend the period for the making of emergency loans for agricultural purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to
4 provide emergency credit", approved August 31, 1954
5 (Public Law 727, Eighty-third Congress), is amended by
6 striking out "1955" and inserting in lieu thereof "1956".

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By Mr. YOUNG

MARCH 30 (legislative day, MARCH 10), 1955

Read twice and referred to the Committee on
Agriculture and Forestry

H. R. 5822

IN THE HOUSE OF REPRESENTATIVES

APRIL 25, 1955

Mr. McINTIRE introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend Public Law 727, Eighty-third Congress, so as to extend the period for the making of emergency loans for agricultural purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
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3 That the first sentence of the Act entitled "An Act to pro-
4 vide emergency credit", approved August 31, 1954 (Public
5 Law 727, Eighty-third Congress), is amended by striking
6 out "1955" and inserting in lieu thereof, "1956".

84TH CONGRESS
1ST SESSION

H. R. 5822

A BILL

To amend Public Law 727, Eighty-third Congress, so as to extend the period for the making of emergency loans for agricultural purposes.

By Mr. McIntire

APRIL 25, 1955

Referred to the Committee on Agriculture

NUMBER H. R. 5822

A BILL

FOR THE PURPOSE OF

AMENDING THE ACT

TO PROVIDE FOR THE

REGISTRATION OF

THE NATIONAL

GUARDIANSHIP

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued June 9, 1955

For actions of June 8, 1955

84th-1st, No. 95

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Both Houses agreed to conference report on Interior appropriation bill, including FS items. Ready for President. House subcommittee ordered reported bills to continue livestock loans and other emergency loans. Senate passed bill to liberalize VA farm loans. Ready for President.

HOUSE

1. LOANS. Concurred in the Senate amendments to S. 654, to provide for additional direct loans for the purchase of farms by veterans under the VA Readjustment Loan Act (p. 6709). This bill is now ready for the President.

The Subcommittee on Livestock and Feed Grains of the Agriculture Committee ordered reported favorably to the full committee H. R. 4915, to extend for an additional two years emergency assistance loans to farmers and stockmen (p. D525).

The Subcommittee on Conservation and Credit of the Agriculture Committee ordered reported to the full committee H. R. 5822, amended, to extend to 1957 emergency loans to farmers and stockmen for agricultural purposes (p. D525).

2. ROADS. Passed without amendment H. R. 5923, which would authorize immediate appropriations for the completion of the Inter-American highway (pp. 6713-25).
3. BUDGET PROCEDURE. Rep. Minshall inserted a plan of the Cleveland Chamber of Commerce for the improvement of Federal government budget procedures and methods to eliminate government-private enterprise competition (pp. 6730-1).
4. RECLAMATION. Rep. Saylor spoke in opposition to the proposed construction of Echo Park Dam and the construction of an Upper Colorado River Project in general (pp. 6735-8).
5. DAIRY PRODUCTS. Rep. Johnson, Wis., inserted, in full, the testimony of the National Farmers Union before the Dairy Subcommittee of the House. Rep. Johnson supported, in general terms, that testimony and urged consideration of his bill, H. R. 4360 (pp. 6738-46).

6. SURPLUS PROPERTY. The Broos (Tex.) Subcommittee on Special Government Activities approved for reporting to the full Committee on Government Operations H. R. 3757, which would authorize the GSA to donate certain surplus property to the American National Red Cross under the Federal Property and Administrative Services Act (p. D526).
7. CUSTOMS. Received a draft of proposed legislation from the Acting Secretary of the Treasury, to "amend an act to provide better facilities for the enforcement of the customs and immigration laws" (p. 6748).
8. LEGISLATIVE PROGRAM. The Majority Leader scheduled consideration of rules on the Bank Holding Company Act and the Trinity River Project. Consideration of the bills themselves will be held over until Mon. or Tues. (p. 6712.)

SENATE

9. INTERIOR DEPARTMENT AND RELATED AGENCIES APPROPRIATION BILL, 1956. Both Houses agreed to the conference report on this bill, H. R. 5085, which includes Forest Service items (pp. 6697-6700, 6708-9). Concurred in the three Senate amendments, regarding Forest Service, which had been reported in disagreement (p. 6709). This bill will now be sent to the President.
10. COPPER. Passed without amendment H. R. 5695, to continue until June 30, 1958, the suspension of certain import taxes on copper (pp. 6668, 6671-84). This bill will now be sent to the President.
11. LABOR STANDARDS. Passed without amendment S. 2168, to amend the Fair Labor Standards Act of 1938 in order to increase the national minimum hourly wage from 75 cents to \$1 (pp. 6684-92).
12. FARM LOANS. Passed without amendment H. R. 5106, to amend the Servicemen's Readjustment Act of 1944 so as to authorize loans for farm housing to be guaranteed or insured under the same terms and conditions as apply to residential housing (pp. 6695). This bill will now be sent to the President.
13. BUILDINGS. Passed as reported S. 1290, to authorize construction of Government buildings in southwest D. C. under lease-purchase agreements on a negotiated basis (pp. 6694-5).
14. ELECTRIFICATION. Sen. Allott inserted a telegram sent by the Colorado-Ute Electric Association, Inc., to REA commending the work done by REA in Colorado (pp. 6695-6).
15. HOUSING. Sen. Thurmond inserted his statement in opposition to S. 2126, the housing bill (p. 6697).
16. RECLAMATION; ELECTRIFICATION. Sen. Neuberger discussed "important national policies" involved in the proposed Hells Canyon dam site and inserted several newspaper articles on this subject (pp. 6701-2).
The Interior and Insular Affairs subcommittee ordered reported S. 1333, to authorize the construction, operation, and maintenance of Hells Canyon Dam on Snake River between Idaho and Oregon (p. D523).
Sen. Bennett inserted his statement favoring the proposed upper Colorado River storage project (pp. 6704-5).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 13, 1955
For actions of June 10, 1955
84th-1st, No. 97

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HIGHLIGHTS. Senate committee reported bill to provide retirement credit for certain State service, and Commerce appropriation bill. Sen. Humphrey criticized CCC administration. House committee ordered reported bills to continue livestock loans and other emergency loans; and the farm credit bill.

SENATE

1. PERSONNEL. The Post Office and Civil Service Committee reported with amendments S. 1041, to provide for the inclusion in the computation of accredited service, under the Civil Service Retirement Act, of certain periods of service rendered States or instrumentalities of States (S. Rept. 507) (p. 6787).
2. COMMERCE DEPARTMENT APPROPRIATION BILL, 1956. The Appropriations Committee (during adjournment) reported with amendments this bill, H. R. 6367 (S. Rept. 512) (p. D535). It was announced that, if possible, the bill would be considered on Tues. (pp. 6784-5, 6800-1, 6802).
3. BANKING. The Banking and Currency Committee reported with amendments S. 1894, to provide for the U. S. participation in the International Finance Corporation (S. Rept. 505) (p. 6786).
4. RECLAMATION. The Interior and Insular Affairs Committee reported without amendment S. 1177, for the relief of desert land entrymen whose entries are dependent upon percolating waters for reclamation (S. Rept. 508) (p. 6787).
Sen. Humphrey urged the elimination of the proposed Echo Park dam from the upper Colorado River project and inserted a Minneapolis Star article, "Colorado River Plan Threatens Scenic Canyons" (pp. 6801-2).
5. CCC. Sen. Humphrey discussed a survey by congressional investigators of operations of the Department, stated there is "evidence being uncovered of flagrant and serious shortcomings in certain administrative activities of the Department of Agriculture," and inserted several newspaper articles on the CCC grain storage operations (pp. 6797-6800).
6. ADJOURNED until Tues., June 14 (p. 6803). Sen. Stennis announced that the calendar and the Commerce appropriation bill will be considered Tues. (pp. 6800-1).

HOUSE

7. SUBMARGINAL LANDS. The Agriculture Committee ordered reported with amendments H. R. 4280, to direct this Department to release conditions in two deeds conveying certain submarginal lands to Clemson Agricultural College of South Carolina (p. D536).

8. FARM LOANS. The Agriculture Committee ordered reported H. R. 4915, to extend for an additional 2 years the period for emergency assistance to farmers and stockmen; and with amendments H. R. 5822, to extend until June 30, 1957 (now June 30, 1955) the period for making loans in emergencies to farmers and stockmen for agricultural purposes (p. D536).

The Agriculture Committee ordered reported with amendments H. R. 5168, to provide for the retirement of Government capital in certain institutions operating under the supervision of FCA and to increase borrower participation in the management and control of the Federal Farm Credit System (p. D537).

BILLS INTRODUCED

9. WATER CONSERVATION. S. 2188, by Sen Knowland (for Sen. Dirksen), to amend the Watershed Protection and Flood Prevention Act to provide that the Federal Government shall pay a portion of the costs of certain works of improvement constructed for purposes of water conservation; to Public Works Committee (p. 6787).
10. COTTON. S. 2196, by Sen. Stennis (for himself and others), to amend section 344 of the Agricultural Adjustment Act of 1938, as amended, relating to cotton acreage allotments; to Agriculture and Forestry Committee (p. 6787). Remarks of author (pp. 6792-3).
11. ELECTRIFICATION. S. 2199, by Sen. Fulbright, authorizing the modification of the general plan for the comprehensive development of the White River Basin to provide for additional hydroelectric power development, for the control of floods; to Public Works Committee (p. 6787).
12. RECLAMATION. S. 2202, by Sen Hayden (for himself and Sen. Goldwater), to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users' Association with respect to payment of construction charges on the valley division, Yuma reclamation project, Ariz.; to Interior and Insular Affairs Committee (p. 6787).

ITEMS IN APPENDIX

13. FOREIGN AID. Sen. Wiley inserted an article from the LaCrosse, Wis., Register, outlining the statement of a policy endorsed by religious leaders of Christian and Jewish faiths, to share the material abundance of America with foreign countries (pp. A4144-5).
14. RECLAMATION. Sen. Anderson stated his support of "a vigorous reclamation program" and inserted a letter-to-the-editor published in the Denver Post pointing out the importance of irrigation and reclamation in an expanding economy (p. A4146).
Extension of remarks of Rep. Hosmer criticizing the proposed LaBarge project and stating it would increase production of surplus crops (p. A4158).
15. MONOPOLIES. Sen. Humphrey inserted an article from the New York Journal-American, "Fair Trade Laws: A Consumers' Benefit," which defended our free-

June 15, 1955

tariff reductions reducing tariff rates existing on January 1, 1955, in stages of not more than 5% in each of 3 years, or negotiate reduction in those rates which are higher than 50 percent of the value of an import to a rate equivalent to 50 percent. Amends the escape clause to modify the standards for determining injury to a domestic industry. Grants the President additional authority to control imports of any article which is found to be entering in such quantities as to impair the national security. Requires the President and the Tariff Commission to report annually to the Congress on the operation of the trade agreements program.

8. CROP INSURANCE. Received from the Comptroller General the audit report on the Federal Crop Insurance Corporation, for the fiscal year ended June 30, 1954 (p. 6994). The House received this report on June 14 (H. Doc 180) (p. 6990).
9. FORESTRY. The Interior and Insular Affairs Committee reported with amendments S. 1713, to amend the mining laws to provide for multiple use of the surface of the same tracts of the public lands (S. Rept. 554) (p. 6996).
10. PROPERTY; EXTENSION WORK; LOW-INCOME FARMERS. The Agriculture and Forestry Committee reported without amendment S. 2097, to transfer land and buildings now used for research under cooperative agreement with the Virgin Islands Corporation (S. Rept. 557); and S. 2098, to authorize additional appropriations for cooperative extension work among low-income farmers (S. Rept. 558) (p. 6996).
11. LAND TRANSFER. The Agriculture and Forestry Committee reported without amendment H. R. 2973, to release reversionary rights to a former FHA tract in Macon County, Ga., to the Ga. Board of Education (S. Rept. 559) (p. 6996).
12. APPLE PRICES. The Agriculture and Forestry Committee reported without amendment H. R. 5188, to prohibit USDA prediction of apple prices (S. Rept. 560) (p. 6996).
13. FARM LOANS; RECLAMATION. The Agriculture and Forestry Committee reported with amendments S. 1472, to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen (S. Rept. 561) (p. 6996).
14. COMMERCE AND RELATED AGENCIES APPROPRIATION BILL, 1956. Continued debate on this bill, H. R. 6367 (pp. 7006, 7060-70). Agreed to the committee amendment increasing forest highways (p. 7069).
15. MARKETING; EXPERIMENT STATIONS; GRAIN STANDARDS. The Agriculture and Forestry Committee reported with amendments S. 1757, to provide penalties for false grade marking (S. Rept. 562); S. 1759, to consolidate experiment station authorizations (S. Rept. 563); and S. 1400, to protect the integrity of grade certificates under the U. S. Grain Standards Act (S. Rept. 564) (p. 6996).
16. EMERGENCY LOANS. The Agriculture and Forestry Committee ordered reported with amendment S. 1582, to extend the period for the making of emergency loans for agricultural purposes (D. 556).
17. WATER CONSERVATION. Sen. Carlson inserted a resolution of the Coffeyville, Kans. Chamber of Commerce urging consideration of flood control and water pollution measures on the Big Hill Creek (p. 6995).

18. WHEAT. Sen. Neuberger urged that the "two-price" wheat plan be considered and inserted a newspaper article commenting on the recently announced wheat price supports (pp. 7003-4).

Sen. Langer inserted a portion of his remarks published by the Wall Street Journal citing the distressed position of wheat farmers who are unable to find proper storage facilities for their wheat crops (p. 7004).

19. INSECTS. Sen. Langer inserted a report from the North Dakota Insect and Pest Reporting Service listing and describing all the insects which are now prevalent throughout the Northwest (pp. 7004-5).

20. GRAIN BINS. Sen. Humphrey was again very critical of the Agriculture Department's alleged "bungling" of storage bin construction (pp. 7005-6).

BILLS INTRODUCED

21. RUBBER. S. 2242, by Sen. Kilgore, to amend the Rubber Producing Facilities Disposal Act of 1953, so as to permit the disposal thereunder of the Government-owned rubber-producing facility at Institute, W. Va.; to Banking and Currency Committee (p. 6997).
22. LANDS. S. 2246, by Sen. Mundt, to authorize the sale of certain lands to the city of Wall, S. Dak.; to Agriculture and Forestry Committee (p. 6997).
23. SURPLUS PROPERTY. S. 2247, by Sen. Saltonstall, relating to the authority of the Administrator of General Services with respect to the utilization and disposal of excess and surplus Government property under the control of executive agencies; to Government Operations Committee (p. 6997).
24. FARM LABOR. S. 2248, by Sen. Saltonstall, to amend the Refugee Relief Act, as amended, to provide a certain number of visas for persons of ethnic Armenian origin; to Judiciary Committee (p. 6997).
25. RECLAMATION. S. 2251, by Sen. Welker, to authorize the Secretary of the Interior to construct, operate, and maintain in the upper Snake River Valley, Idaho and Wyo., the Narrows Federal reclamation project and a reregulating reservoir below the Palisades Dam and Reservoir; to Interior and Insular Affairs Committee (p. 6997).
26. FOREIGN TRADE. S. 2253, by Sen. Ellender (for himself and others), to re-emphasize trade development as the primary purpose of title I of the Agricultural Trade Development and Assistance Act of 1954; to Agriculture and Forestry Committee (p. 6997).
27. FARM PROGRAM. H. R. 6835, by Rep. Gathings, "to amend the Agricultural Act of 1954;" to Agriculture Committee (p. 7130).
H. R. 6836, by Rep. Gathings, "to amend the Agricultural Act of 1938, as amended;" to Agriculture Committee (p. 7130).
H. R. 6845, by Rep. Watts, "to further amend the Agricultural Adjustment Act of 1938;" to Agriculture Committee (p. 7130).
28. WILDLIFE. H. R. 6844, by Rep. Young, to provide that accumulated receipts in the Federal aid to wildlife restoration fund shall be appropriated; to amend the Wildlife Restoration Act (16 U. S. C., secs. 669-669i), defining "wildlife restoration project;" to Merchant Marine and Fisheries Committee (p. 7130).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 16, 1955
For actions of June 15, 1955
84th-1st - No. 100

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HIGHLIGHTS: Senate agreed to conference report on trade agreements bill. Ready for President. Senate debated Commerce appropriation bill. House committee reported and Senate committee ordered reported bills to extend emergency loans. House debated public works appropriation bill. Sen. Neuberger urged two-price plan for wheat. Sen. Humphrey criticized USDA purchase of grain storage bins. Senate (Cont. on p.6)

HOUSE

1. APPROPRIATIONS. Began debate on H. R. 6766, the public works appropriations bill, 1956 (pp. 7087-7121). This bill contains appropriations for the Atomic Energy Commission, Tennessee Valley Authority, and certain functions of the Interior Department and Army.
2. LOANS. The Agriculture Committee reported with amendment H. R. 5822, providing an extension of time for making of emergency loans for agricultural purposes (H. Rept. 839) (p. 7129).
3. PERSONNEL. The "Daily Digest" states as follows:

"Committee on Post Office and Civil Service: Approved a bill today providing for pay increases to Federal employees.

Striking out the provisions of S. 67, the committee inserted completely new language which would provide a $7\frac{1}{2}$ -percent increase for approximately 1,073,262 employees, effective beginning with the first pay period commencing after February 28, 1955. Employees of the three branches of the Federal Government are covered, specifically, as follows --

"(a) employees whose positions are subject to the Classification Act of 1949, as amended;

"(b) officers and employees in or under the judicial branch of the Government;

- "(c) court reporters for Federal district courts;
- "(d) secretaries and law clerks of circuit and district judges;
- "(e) officers and employees in or under the legislative branch of the Government;
- "(f) elected officers and certain appointive officers and employees of the Senate and House of Representatives (except the presiding officers);
- "(g) officers and employees in the Department of Medicine and Surgery in the Veterans' Administration; and
- "(h) employees in the Foreign Service of the United States under the Department of State.

"Other features of the bill would provide the following --

- "(1) authorize comparable increases to employees whose salaries are set by administrative action such as employees of the TVA;
- "(2) raise the limit on salaries which may be paid to officers and employees of the Central Bank for Cooperatives, or any production credit corporation, production credit association, or bank for cooperatives, to permit giving employees of these organizations raises comparable to those received by other Federal employees under this act;
- "(3) maintain the present ceiling of \$14,800 above which no salary may be raised by reason of this enactment;
- "(4) restrict the maximum salary for employees of the legislative branch (except those whose salaries are specifically set by law) to the maximum provided under the Classification Act of 1949, as amended;
- "(5) provide for an adjustment in the salaries of employees transferred from the CPC schedules (Crafts, Protective, Custodial) to wage board salary schedules to take into consideration the increases provided under this bill;
- "(6) provide comparable salary increases for the "savings cases" (those drawing salaries over the top salary rate for their grade);
- "(7) provide for a proportionate payment of the salary increase due for work performed during the retroactive period to employees who retired or to the estate of employees who died during the retroactive period; and
- "(8) consolidate all authority for grades 16, 17, and 18; repeals extraneous laws giving separate authority.

"The salary increases provided in the legislation are permanent, are subject to retirement deductions, and will be taken into consideration in computing overtime and night-differential pay. Approximate cost of the total pay increases provided by the legislation will be \$325 million annually."

- 4. WILDLIFE CONSERVATION. Rep. Johnson, Wis., inserted a magazine article critical of the Federal agencies administering wildlife protection laws (pp. 7121-2).
- 5. CIVIL DEFENSE. Rep. Holifield criticized the administration's efforts in civil defense planning (p. 7124).
- 6. RECLAMATION. Received a report from Interior Department on a soil survey and land classification project in connection with the Missouri River Basin project (p. 7128).

SENATE

- 7. TRADE AGREEMENTS. Agreed to the conference report on H. R. 1, to extend the President's authority to enter into trade agreements (pp. 7006-33, 7058-60). This bill will now be sent to the President. As finally passed, the bill provides as follows: Continues until June 30, 1958, the President's authority to enter into reciprocal trade agreements. Authorizes the President to negotiate

EXTENDING ECONOMIC EMERGENCY LOAN PROGRAM FOR 2 YEARS

JUNE 15, 1955.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. COOLEY, from the Committee on Agriculture, submitted the
following

R E P O R T

[To accompany H. R. 5822]

The Committee on Agriculture, to whom was referred the bill (H. R. 5822) to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

On page 1, line 6, strike out "1956" and insert "1957".

The purpose of this bill, as amended by the committee, is to extend for 2 years the authority of the Secretary of Agriculture to make emergency loans for agricultural purposes to farmers in areas which do not qualify for special loans connected with production disasters but where economic conditions which may be associated with such disasters have created a condition where farmers' needs for credit cannot be met by usual lending agencies, including the Farmers Home Administration.

This program was established by an act of Congress approved August 31, 1954, and will terminate unless extended on June 30, 1955. The Department of Agriculture reports that although this emergency loan authority has been exercised in only 117 counties, there is still a need in these areas for this type of emergency credit.

The bill as referred to the committee extended the authority for these loans for 1 year (through June 30, 1956). The committee amendment will have the effect of extending the loan program for 2 years (until June 30, 1957).

Following is the letter from the Department of Agriculture stating the need for the extension of this loan program and recommending enactment of the bill. It is the understanding of the committee that the Department does not object to the longer extension of the authority provided by the committee amendment.

2 EXTEND ECONOMIC EMERGENCY LOAN PROGRAM FOR 2 YEARS

MAY 23, 1955.

HON. HAROLD D. COOLEY,
*Chairman, Committee on Agriculture,
House of Representatives.*

DEAR CONGRESSMAN COOLEY: This is in reply to your request of May 3 for a report on H. R. 5822, a bill to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes.

The Department recommends the enactment of the proposed legislation.

H. R. 5822 would extend until June 30, 1956, the authority to make emergency loans pursuant to Public Law 727, 83d Congress. Under the authority contained in Public Law 727, which expires June 30, 1955, emergency loans may be made available to eligible farmers in those areas designated by the Secretary of Agriculture upon his determination that there is a need for agricultural credit, except for the refinancing of existing indebtedness, which cannot be met for a temporary period by commercial banks, cooperative lending agencies, the Farmers Home Administration under its regular lending programs, or with other types of loans made by the Farmers Home Administration pursuant to Public Law 38 and amendments thereto (63 Stat. 43, as amended; 12 U. S. C. 1148 (a), et seq.).

Emergency loans are made available under Public Law 38 only in (1) areas which have suffered serious production disasters, and (2) areas, within major disaster areas designated by the President pursuant to Public Law 875 (42 U. S. C. 1851 et seq., as amended), having a serious economic emergency. Without the authority contained in Public Law 727, emergency loans could not be made in areas experiencing a serious economic emergency but which have not had production losses or have not been designated as major disaster areas pursuant to Public Law 875. Although the emergency credit needs of farmers and stockmen in most areas are being met through loans made pursuant to Public Law 38, there are some areas which are in need of emergency credit because of an economic emergency but which cannot qualify, as described above, for loans under Public Law 38. At present, emergency loans pursuant to Public Law 727 are available in the following designated areas: Two counties in Arizona, 3 counties in Colorado, 20 counties in Minnesota, 13 counties in New Jersey, all counties in North Dakota, and 27 counties in South Dakota. Although we do not know what the situations in these counties and other areas will be after June 30, 1955, we recommend the enactment of the proposed legislation in order that there may be a standby authority to make emergency loans available during the subject year in any area in which they may be needed.

Since loans pursuant to H. R. 5822 would be made from the revolving fund and would be processed by employees of the Farmers Home Administration, an appropriation would not be required in connection with the extended lending authority.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE, *Acting Secretary.*

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets; new matter is in italics; existing law in which no change is proposed is shown in roman):

PUBLIC LAW 727, 83D CONGRESS

AN ACT To provide emergency credit

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That until June 30, [1955] 1957, the Secretary is authorized to make emergency loans for any agricultural purposes, except for refinancing of existing indebtedness, aggregating not to exceed \$15,000,000 to farmers and stockmen in any area or areas where the Secretary determines that there is a need for such credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers Home Administration under its regular programs or under the Act of April 6, 1949, or other responsible sources.

SEC. 2. Loans under this Act shall (1) be made only to individuals or partnerships who are actively engaged in the operation of farms or ranches; (2) not exceed \$15,000 in the case of any one loan; (3) not be made to any one borrower so as to increase the total indebtedness of such borrower under this Act to an amount in excess of \$20,000 (including principal and accrued interest); (4) be made at such rates of interest and on such terms and conditions as the Secretary shall prescribe for such area or areas; and (5) be secured by the personal obligation and available security of the producer or producers.

SEC. 3. The Secretary may utilize the revolving fund created by section 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1148a), for making loans under this Act, and for administrative expenses in connection with such loans. Sums received by the Secretary from the liquidation of loans made under this Act shall be added to and become a part of the said revolving fund.

Approved August 31, 1954.



84TH CONGRESS
1ST SESSION

H. R. 5822

[Report No. 839]

IN THE HOUSE OF REPRESENTATIVES

APRIL 25, 1955

Mr. McINTIRE introduced the following bill; which was referred to the Committee on Agriculture

JUNE 15, 1955

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To amend Public Law 727, Eighty-third Congress, so as to extend the period for the making of emergency loans for agricultural purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to pro-
4 vide emergency credit", approved August 31, 1954 (Public
5 Law 727, Eighty-third Congress), is amended by striking
6 out "1955" and inserting in lieu thereof, "~~1956~~" "*1957*".

84TH CONGRESS
1ST SESSION

H. R. 5822

[Report No. 839]

A BILL

To amend Public Law 727, Eighty-third Congress, so as to extend the period for the making of emergency loans for agricultural purposes.

By Mr. MCINTIRE

APRIL 25, 1935

Referred to the Committee on Agriculture

JUNE 15, 1935

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued June 20, 1955

For actions of June 17, 1955

84th-1st - No. 102

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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Contracts.....28	Marketing.....5	Travel.....21
Customs.....21,30	Operation Alert.....18	Virgin Islands.....2
Electrification.....16,17,24	Organization.....14	Water compact.....8
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HIGHLIGHTS: Senate passed bill to prohibit USDA prediction of apple prices. Ready for President. Senate passed bills to: transfer to USDA certain real property in Virgin Islands; authorize additional extension work for low-income farmers; provide penalties for false grade marking; consolidate experiment station authorizations; protect grain standards. Senate debated defense appropriation bill. Senate com-

(Cont'd. on p. 4)

SENATE

1. APPLE PRICES. Passed without amendment H. R. 5188, to prohibit this Department from predicting apple prices in any official publication (pp. 7342-3). This bill will now be sent to the President.
2. PROPERTY. Passed without amendment S. 2097, to transfer land and buildings now used for research under cooperative agreement with the Virgin Islands Corporation (p. 7341).
3. EXTENSION WORK. Passed without amendment S. 2098, to authorize additional appropriations for cooperative extension work among low-income farmers (p. 7341).
4. EMERGENCY LOANS. The Senate Agriculture and Forestry Committee reported with amendment S. 1582, to extend the period for making emergency loans for agricultural purposes (S. Rept. 574) (p. 7283).
5. MARKETING. Passed as reported S. 1757, to provide penalties for false grade marking (p. 7343). The bill would strengthen provisions to prevent deception in connection with inspection of agricultural commodities and would increase the maximum fine from \$500 to \$1,000.
6. EXPERIMENT STATIONS. Passed as reported S. 1759, to consolidate experiment station authorizations (pp. 7343-5). The bill would prevent allotments from shifting with shifts in relative rural and farm population; freeze the amount earmarked by section 9 of the Bankhead-Jones Act for marketing research at the amount so earmarked in 1955; and repeal a provision exempting the Georgia

experiment station from the Secretary's authority to withhold funds from stations not complying with the act.

7. GRAIN STANDARDS. Passed as reported S. 1400, to protect the integrity of grade certificates under the U. S. Grain Standards Act (p. 7345).
8. WATER COMPACT. Passed without amendment H. R. 208, providing for a water compact between Arkansas and Oklahoma (p. 7333). This bill will now be sent to the President.
9. ROADS. Passed as reported H. R. 5923, to authorize appropriations for the completion of the Inter-American Highway (p. 7334).
10. FARM LOANS; RECLAMATION. Passed as reported S. 1472, to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen (p. 7343).
11. GENERAL GOVERNMENT AGENCIES APPROPRIATION BILL, 1956. The Appropriations Committee reported with amendments this bill, H. R. 6499 (S. Rept. 573) (p. 7283).
12. DEFENSE DEPARTMENT APPROPRIATION BILL, 1956. Began debate on this bill, H. R. 6042 (pp. 7332, 7350-1, 7354-8).
13. PERSONNEL. The Post Office and Civil Service Committee reported without amendment S. 1849, to provide for the granting of career-conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment (S. Rept. 576) (p. 7283).
The Government Operations Committee reported with amendments S. J. Res. 21, to establish a Commission on Government Security (S. Rept. 581) (p. 7283).
14. REORGANIZATION. The Government Operations Committee agreed to refer to its Subcommittee on Reorganization the eight Hoover Commission reports and draft legislation received thus far by the committee (S. Rept. 581) (p. 7283).
15. LAND TRANSFERS. Discussed and passed over upon objection by Sen. Morse H. R. 2973, to release reversionary rights to a former FHA tract in Macon County, Ga., to the Ga. Board of Education (pp. 7341-2).
16. RECLAMATION; ELECTRIFICATION. Sen. Mansfield inserted his statement favoring the construction of the proposed Yellowtail Dam (p. 7287).
Sen. Watkins inserted his statement in answer to various charges made by Raymond Moley against reclamation programs in the West (pp. 7325-31).
17. ELECTRIFICATION. Sen. Neuberger criticized the administration's power policies and inserted newspaper articles on this subject (pp. 7288-90).
18. OPERATION ALERT. Sen. Humphrey criticized this Department for certain statements sent to farmers during Operation Alert, and stated that "this part of the operation might well be termed 'Operation Foul-up'" (pp. 7349-50).
19. WATER POLLUTION. Passed as reported S. 890, to extend and strengthen the Water Pollution Control Act (pp. 7334-8).

EMERGENCY LOANS

JUNE 17 (legislative day, JUNE 14), 1955.—Ordered to be printed

Mr. YOUNG, from the Committee on Agriculture and Forestry,
submitted the following

REPORT

[To accompany S. 1582]

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 1582) to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes, having considered the same, report thereon with a recommendation that it do pass with an amendment.

The bill as introduced would extend until June 30, 1956, the authority of the Secretary of Agriculture to make emergency loans in areas not eligible for emergency loans under Public Law 38 (which are provided only in production disaster areas or other major disaster areas designated by the President pursuant to Public Law 875). During the current fiscal year it was found necessary to meet emergency credit needs of farmers and stockmen in nondisaster areas who were suffering from adverse economic conditions. Your committee recommends this credit program be extended for a 2-year period in order to continue to meet these emergency needs.

DEPARTMENTAL VIEWS

DEPARTMENT OF AGRICULTURE,
Washington 25, D. C., May 18, 1955.

HON. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR ELLENDER: This is in reply to your request of March 31 for a report on S. 1582, a bill "to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes."

The Department recommends the enactment of the proposed legislation.

S. 1582 would extend until June 30, 1956, the authority to make emergency loans pursuant to Public Law 727, 83d Congress. Under the authority contained in Public Law 727, which expires June 30, 1955, emergency loans may be made available to eligible farmers in those areas designated by the Secretary of Agriculture upon his determination that there is a need for agricultural credit, except for the

refinancing of existing indebtedness, which cannot be met for a temporary period by commercial banks, cooperative lending agencies, the Farmers Home Administration under its regular lending programs, or with other types of loans made by the Farmers Home Administration pursuant to Public Law 38 and amendments thereto (63 Stat. 43, as amended, 12 U. S. C. 1148 (a), et seq.).

Emergency loans are made available under Public Law 38 only in (1) areas which have suffered serious production disasters, and (2) areas, within major disaster areas designated by the President pursuant to Public Law 875 (42 U. S. C. 1851, et seq., as amended), having a serious economic emergency. Without the authority contained in Public Law 727, emergency loans could not be made in areas experiencing a serious economic emergency but which have not had production losses or have not been designated as major disaster areas pursuant to Public Law 875. Although the emergency credit needs of farmers and stockmen in most areas are being met through loans made pursuant to Public Law 38, there are some areas which are in need of emergency credit because of an economic emergency but which cannot qualify, as described above, for loans under Public Law 38. At present, emergency loans pursuant to Public Law 727 are available in the following designated areas: Two counties in Arizona, 3 counties in Colorado, 20 counties in Minnesota, 13 counties in New Jersey, all counties in North Dakota, and 27 counties in South Dakota. Although we do not know what the situations in these counties and other areas will be after June 30, 1955, we recommend the enactment of the proposed legislation in order that there may be a standby authority to make emergency loans available during the subject year in any area in which they may be needed.

Since loans pursuant to S. 1582 would be made from the revolving fund and would be processed by employees of the Farmers Home Administration, an appropriation would not be required in connection with the extended lending authority.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE, *Acting Secretary.*

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX, of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

PUBLIC LAW 727, 83D CONGRESS

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That until June 30, [1955] 1957, the Secretary is authorized to make emergency loans for any agricultural purposes, except for refinancing of existing indebtedness, aggregating not to exceed \$15,000,000 to farmers and stockmen in any area or areas where the Secretary determines that there is a need for such credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers Home Administration under its regular programs or under the Act of April 6, 1949, or other responsible sources.

* * * * *



84TH CONGRESS
1ST SESSION

S. 1582

[Report No. 574]

IN THE SENATE OF THE UNITED STATES

MARCH 30 (legislative day, MARCH 10), 1955

Mr. YOUNG introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

JUNE 17 (legislative day, JUNE 14), 1955

Reported by Mr. YOUNG, with an amendment

[Omit the part struck through and insert the part printed in italic]

A BILL

To amend Public Law 727, Eighty-third Congress, so as to extend the period for the making of emergency loans for agricultural purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to
4 provide emergency credit", approved August 31, 1954
5 (Public Law 727, Eighty-third Congress), is amended by
6 striking out "1955" and inserting in lieu thereof "~~1956~~"
7 "1957".

[Report No. 574]

A BILL

To amend Public Law 727, Eighty-third Congress, so as to extend the period for the making of emergency loans for agricultural purposes.

By Mr. YOUNG

MARCH 30 (legislative day, MARCH 10), 1955

Read twice and referred to the Committee on
Agriculture and Forestry

JUNE 17 (legislative day, JUNE 14), 1955

Reported with an amendment

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 21, 1955
For actions of June 20, 1955
84th-1st - No. 103

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HIGHLIGHTS: House passed Federal pay bill and forest mining bill. House passed bills to extend livestock loans and to increase per-diem allowances. House received conference report on salt-water research bill. House committee reported farm credit bill. Senate passed emergency loans extension bill and defense appropriation bill. Sen. Ellender inserted and discussed CCC statement on price support costs, etc.

SENATE

1. EMERGENCY LOANS. Passed as reported S. 1582, which would extend emergency loans for two years (pp. 7424-5).
2. APPROPRIATIONS. Passed with amendments H. R. 6042, making appropriations for the Defense Department for 1956 (pp. 7388-7404, 7407-9, 7410-24).
Postponed debate on H. R. 6499, the general Government matters appropriations bill for 1956, until Tues., June 21 (p. 7428).
3. COMMODITY CREDIT CORPORATION. Sen. Ellender inserted a summary of the price supports program and Commodity Credit Corporation activities prepared by that Corporation (pp. 7425-8).
4. IMMIGRATION. Received a resolution from the California Legislature urging consideration of relief measures for Mexican labor immigrants (p. 7360-1).
5. RECLAMATION. Received a resolution from the California Legislature urging water and land conservation measures in the Central Valley (pp. 7360-1).

Sen. Carlson inserted a resolution from the Kansas Watersheds Association urging consideration of water and land conservation measures in that area (pp. 7362-3).

5. SALT-WATER RESEARCH. Received a resolution from the California Legislature urging that some of saline water research facilities be located in that State (pp. 7360-1).
6. FARM INCOME. Sen. Langer inserted a resolution from the machinists association urging Congress to enact legislation equitable to the small family-type farmer (p. 7362).
7. RURAL ELECTRIFICATION. Sen. Carlson inserted a letter and resolution from a Kansas electric cooperative association opposing recommendations of the "Hoover Commission," which would change any aspect of the rural electric cooperative program (p. 7362).
8. ANIMAL DISEASE. Sen. Wiley inserted a newspaper article commenting favorably on voluntary efforts by dairy farmers to eliminate and control Bang's disease. Sen. Wiley suggested that funds continue to be made available to the Agriculture Department for disease research and control (p. 7368).
9. CONTRACTS. The Finance Committee reported with amendments H. R. 4904, to extend for two years the Renegotiation Act of 1951 (S. Rept. 582) (p. 7363).
10. FOREIGN TRADE. Sen. Martin, Iowa, inserted his statement urging restrictive measures in relation to American participation in the proposed general agreement on trade and tariffs (pp. 7369-70).
11. FOREST LANDS. Passed, as reported, H. R. 4853, to authorize the sale of certain land in Alaska to the Pacific Northern Timber Company (p. 7385).

HOUSE

12. PERSONNEL. Passed, 370 to 3, with amendment, S. 67, providing pay increases for Federal employees (pp. 7437, 7443-53). House and Senate conferees were appointed (pp. 7405-7, 7453). For provisions of this bill see Digest 100.
The Ways and Means Committee reported without amendment H. R. 5560, to make permanent the existing privilege of free importation of personal and household effects brought into the U. S. under Government orders (H. Rept. 859) (p. 7488).
13. SALT-WATER RESEARCH. Received the conference report on H. R. 2126, to continue and expand the Interior Department research program on converting salt water to fresh water (H. Rept. 861) (pp. 7438-9). The Senate agreed to this conference report on June 16.
14. RECLAMATION. Received the conference report on H. R. 103, to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies (H. Rept. 862) (p. 7439). The Senate agreed to this conference report on June 16.
15. FARM LOANS. The Agriculture Committee reported with amendments H. R. 5168, to provide for the retirement of Government capital in certain institutions operating under the supervision of FCA and to increase borrower participation in the management and control of the Federal Farm Credit System (H. Rept. 863) (p. 7488).

ing for additional information with which to go to conference.

I believe the Senator from South Dakota has offered a way out of the problem, by which we would allay the fear on the part of private enterprise of the Nation that Congress was soft toward those who want the Government to continue doing business in the field of free enterprise.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. MUNDT. I yield 1 minute to the senior Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Mr. President, very little can be said in 1 minute, but I wish to give the Senate the benefit of my own experience in commanding many military posts throughout the Nation. The amendment will in no way disturb the national defense. Personally, I think it will improve the national defense, because it has been my experience that very much better service is obtained from private enterprise than from installations which have been established as a part of the national defense organization. Many of the national defense installations have been in existence for more than a century. They do a magnificent job. Nevertheless, in a country which encourages competition, the best results will be obtained from free enterprise.

I sincerely hope the amendment offered by the Senator from South Dakota will prevail.

Mr. MUNDT. Mr. President, I yield myself the remainder of my time, which I believe is only 3 or 4 minutes.

The PRESIDING OFFICER. The Senator from South Dakota has 3 minutes remaining.

Mr. MUNDT. I wish to reply first to the arguments made by the Senator from Virginia, because I found them to be very interesting and significant.

The first was his remark that the adoption of the amendment might cause the Navy yards in his State to go out of the business of legitimate defense production.

Under this authority, the Government cannot vacate any of the responsibilities it has assumed as a result of legislative mandate. The Government cannot divest itself of any business or activity into which Congress has placed it. My amendment means only that anything which the Government established by executive edict it can divest itself of by executive edict.

There is no more opportunity for the Government to take itself out of the field of operating Navy yards or gun-making or from the REA than there would be of it flying to the moon. To do so would require legislative power, not executive edict and Congress would never so vote.

I think really that the gist of the argument of the Senator from Virginia was his second point. He said that some ghost towns would be created in Virginia. He said that to take the Government out of business would put Government employees out of work.

If his argument were carried to its logical conclusion, it would mean that the Government could never fire anyone,

and that the size of this bureaucracy could never be reduced.

But that is not true, because if the work which the Government is now doing is important, those same employees can be rehired by private enterprise to do the same work.

If that is not to be the case, how can the collecting of taxes in the United States be justified to maintain a socialistic enterprise which is so useless, that the only argument that can be made to defend it is that to eliminate it will put some Federal employees out of work?

They will not be thrown out of work if the work is essential, because the jobs will continue. Some private entrepreneur will pick up the work and will hire the same employees.

I sincerely hope that the Senate, on a yea-and-nay vote, will not say that it wants to discourage the Government from getting out of business, when the business is needless, and simply on the argument that getting out of the business will mean that some Government employee will temporarily be out of work.

If we intend to strive for economy, if we mean what we say in support of private enterprise, if we mean that we will try to get a little more efficiency in Government, certainly we do not want to apply the brakes when, at long last, the executive agencies are willing to shrink, instead of increase in size; when, at long last, we have them coming to Congress and saying, "We would like to get out of a few useless socialistic enterprises."

Certainly if the Senate wants to vacate those Government jobs by the proposed amendment, the amendment will increase the bargaining power of the Senate in conference with the House. It will provide a blank page against a resolution. The conferees can then provide every safeguard the Senator from Virginia might desire in his effort to protect the Navy yard at Portsmouth and the other necessary installations in Virginia, and to protect the national defense in general. But my amendment is our opportunity, at this session, to register ourselves in favor of a decrease in the size of Government business, and to eliminate the costs of Government, which are steadily mounting.

The PRESIDING OFFICER. All time has expired. The question is on the amendment of the Senator from South Dakota [Mr. MUNDT] on which the yeas and nays have been ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from South Dakota [Mr. MUNDT]. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. JACKSON], and the Senator from Oklahoma [Mr. KERR] are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955, on behalf of the Senate Appropriations Committee to conduct an on-the-spot study of specific matters relating to our foreign-aid program.

The Senator from Minnesota [Mr. HUMPHREY] is absent by leave of the Senate to attend the United Nations anniversary celebration in San Francisco as a representative of the Senate Foreign Relations Committee.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

On this vote the senior Senator from Kentucky [Mr. CLEMENTS] has a general pair with the junior Senator from Illinois [Mr. DIRKSEN].

The senior Senator from Montana [Mr. MURRAY] has a general pair with the senior Senator from Michigan [Mr. POTTER].

I also announce that if present and voting the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], and the Senator from Oklahoma [Mr. KERR] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from New Hampshire [Mr. COTTON] is absent on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Colorado [Mr. MILLIKIN] is absent by leave of the Senate to attend the funeral of a friend.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Illinois [Mr. DIRKSEN] has a general pair with the Senator from Kentucky [Mr. CLEMENTS].

The Senator from Michigan [Mr. POTTER] has a general pair with the Senator from Montana [Mr. MURRAY].

The result was announced—yeas 33, nays 48, as follows:

YEAS—33

Allott	Curtis	Martin, Pa.
Barrett	Duff	McCarthy
Beall	Dworshak	Mundt
Bender	Goldwater	Schoeppel
Bennett	Hickenlooper	Smith, N. J.
Bricker	Hruska	Thye
Bush	Ives	Watkins
Butler	Knowland	Welker
Capehart	Long	Wiley
Carlson	Malone	Williams
Case, S. Dak.	Martin, Iowa	Young

NAYS—48

Aiken	Hill	Neely
Barkley	Holland	Neuberger
Bible	Johnson, Tex.	O'Mahoney
Byrd	Johnston, S. C.	Pastore
Case, N. J.	Kefauver	Payne
Chavez	Kennedy	Purtell
Daniel	Kilgore	Robertson
Douglas	Kuchel	Russell
Ellender	Langer	Saltonstall
Ervin	Lehman	Scott
Flanders	Magnuson	Smathers
Frear	Mansfield	Smith, Maine
Fulbright	McClellan	Sparkman
Gore	McNamara	Stennis
Hayden	Monroney	Symington
Hennings	Morse	Thurmond

NOT VOTING—15

Anderson	Eastland	Jenner
Bridges	George	Kerr
Clements	Green	Millikin
Cotton	Humphrey	Murray
Dirksen	Jackson	Potter

So Mr. MUNDT's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

If there is no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The PRESIDING OFFICER. The question is, shall the bill pass.

Mr. JOHNSON of Texas. Mr. President, I yield back all time remaining under my control.

Mr. KNOWLAND. Mr. President, I yield back all time remaining under my control.

The PRESIDING OFFICER. All remaining time has been yielded back.

The bill having been read the third time, the question is, Shall it pass?

Mr. JOHNSON of Texas. Mr. President, on this question, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. JACKSON], and the Senator from Oklahoma [Mr. KERR] are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955, on behalf of the Senate Appropriations Committee to conduct an on-the-spot study of specific matters relating to our foreign-aid program.

The Senator from Minnesota [Mr. HUMPHREY] is absent by leave of the Senate to attend the United Nations anniversary celebration in San Francisco as representative of the Senate Foreign Relations Committee.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

On this vote, the senior Senator from Kentucky [Mr. CLEMENTS] has a general pair with the junior Senator from Illinois [Mr. DIRKSEN].

The senior Senator from Montana [Mr. MURRAY] has a general pair with the senior Senator from Michigan [Mr. POTTER].

I also announce that if present and voting, the Senator from Kentucky [Mr. CLEMENTS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Georgia [Mr. GEORGE], the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], the Senator from Oklahoma [Mr. KERR], and the Senator from Montana [Mr. MURRAY] would each vote yea.

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from New Hampshire [Mr. COTTON], and the Senator from Kansas [Mr. SCHOEPEL] are absent on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Colorado [Mr. MILLIKIN] is absent by leave of the Senate, to attend the funeral of a friend.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate, to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Illinois [Mr. DIRKSEN] has a general pair with the Senator from Kentucky [Mr. CLEMENTS].

The Senator from Michigan [Mr. POTTER] has a general pair with the Senator from Montana [Mr. MURRAY].

If present and voting, the Senators from New Hampshire [Mr. BRIDGES] and Mr. COTTON], and the Senator from Kansas [Mr. SCHOEPEL] would each vote "yea".

The result was announced—yeas 80, nays 0, as follows:

YEAS—80

Aiken	Goldwater	Monroney
Allott	Gore	Morse
Barkley	Hayden	Mundt
Barrett	Hennings	Neely
Beall	Hickenlooper	Neuberger
Bender	Hill	O'Mahoney
Bennett	Holland	Pastore
Bible	Hruska	Payne
Bricker	Ives	Purtell
Bush	Johnson, Tex.	Robertson
Butler	Johnston, S. C.	Russell
Byrd	Kefauver	Saltonstall
Capehart	Kennedy	Scott
Carlson	Kilgore	Smathers
Case, N. J.	Knowland	Smith, Maine
Case, S. Dak.	Kuchel	Smith, N. J.
Chavez	Langer	Sparkman
Curtis	Lehman	Stennis
Daniel	Long	Symington
Douglas	Magnuson	Thurmond
Duff	Malone	Thye
Dworshak	Mansfield	Watkins
Ellender	Martin, Iowa	Welker
Ervin	Martin, Pa.	Wiley
Flanders	McCarthy	Williams
Frear	McClellan	Young
Fulbright	McNamara	

NOT VOTING—16

Anderson	George	Millikin
Bridges	Green	Murray
Clements	Humphrey	Potter
Cotton	Jackson	Schoepel
Dirksen	Jenner	
Eastland	Kerr	

So the bill (H. R. 6042) was passed.

Mr. CHAVEZ. Mr. President, first I wish to thank the Senators who have helped on this bill. I move that the Senate insist upon its amendments, request a conference thereon with the

House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CHAVEZ, Mr. HAYDEN, Mr. RUSSELL, Mr. HILL, Mr. BYRD, Mr. SALTONSTALL, Mr. BRIDGES, Mr. YOUNG, and Mr. FLANDERS conferees on the part of the Senate.

Mr. JOHNSON of Texas. Mr. President, the vote just announced is a great tribute to the leadership of the distinguished chairman of the subcommittee [Mr. CHAVEZ]. As all Senators know, this is one of the most difficult appropriation bills to come before the Senate. It is the largest of the regular appropriation bills. There are always several controversies involved in it.

I take this opportunity not only to compliment the distinguished chairman of the subcommittee, but the distinguished ranking minority member of the committee, and all other members of the subcommittee.

I think the unanimous vote on this important bill is notice to the entire world that we intend to keep this country prepared and to keep it strong.

I express my personal appreciation to the chairman of the subcommittee for the fine work he had done, to the excellent staff who worked with him, and to every member of the subcommittee on both sides of the aisle.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the concurrent resolution (S. Con. Res. 41) to authorize the enrollment with certain changes of Senate Joint Resolution 62, dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee.

ENROLLED JOINT RESOLUTION
SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 60) directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls.

EMERGENCY LOANS FOR AGRICULTURAL PURPOSES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 578, Senate bill 1582.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1582) to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes, which had been reported from the Committee on Agriculture and Forestry with an amendment, in line 6, after the word "thereof", to strike out "1956" and insert "1957", so as to make the bill read:

Be it enacted, etc., That the first sentence of the act entitled "An act to provide emergency credit," approved August 31, 1954 (Public Law 727, 83d Cong.), is amended by

striking out "1955" and inserting in lieu thereof "1957."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. YOUNG. Mr. President, this bill, with the committee amendments, would extend for 2 years (until June 30, 1957) the authority of the Secretary of Agriculture to make emergency loans under Public Law 727, 83d Congress. That law provides for loans in areas where credit cannot be met for a temporary period from ordinary sources, and is due to expire at the end of this month. In some areas (listed in the committee report) there is a continuing need for these loans at this time, and it is advisable to have this authority available for those areas as well as for other areas in which it may become needed. This bill was approved unanimously by the Senate Agriculture Committee and also has been favorably reported from the Department of Agriculture.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. CASE of South Dakota. Is it not correct that this bill would take care of situations in counties where there has been some drought, and where there have been some adverse economic conditions, but possibly not of such a nature as to be classified as a disaster?

Mr. YOUNG. The Senator is correct.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. LANGER. Is it not true that this situation affects the farmer of the entire Nation?

Mr. YOUNG. It does. This type of loan is extended in several counties in New Jersey and in many other counties in every area of the United States, including my own State of North Dakota.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. MONRONEY. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield.

Mr. MONRONEY. I should like to ask whether the interest rate will be 5 percent, as announced by the Secretary

of Agriculture, or 3 percent, the rate which is being discussed by the Committee on Agriculture and Forestry?

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. AIKEN. The rate of interest will be the same as has been fixed by law. The other day, I believe, the Senate passed a bill fixing the rate of interest on a certain type of disaster loan at 3 percent.

Mr. MONRONEY. Would this activity qualify for the 3-percent rate, or would the Secretary of Agriculture have the right to make the rate either 5 or 3 percent?

Mr. AIKEN. I think all interest rates are now fixed by law—assuming that the House agrees with the Senate that the rate of interest fixed on certain types of loans shall be 3 percent. I am sure that whatever the interest rate is on this type of loan, it is fixed by law.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 1582) was ordered to be engrossed for a third reading, read the third time, and passed.

RESULTS OF PRICE-SUPPORT AND OTHER PROGRAMS

Mr. ELLENDER. Mr. President, a few weeks ago the Commodity Credit Corporation issued a report showing the losses and gains on the operations of the price-support program. It will be noted, from a study of this report, that the amount of CCC losses from October 17, 1933, to April 30, 1955—a period of nearly 22 years—on basic commodities, was \$353,675,738, or an average of some \$16,450,034 a year.

It will be further noted, as to cotton, that the price-support program for that commodity actually shows a gain—a profit—of \$267,290,377, and that the losses sustained on price-support operations for the basic commodities, as a whole, accrued principally on corn and wheat.

I further invite the attention of Senators to the fact that the total losses on all price-support programs, which would include nonbasics, such as honey, milk, butter, cheese, wool, and so on,

aggregate \$2,093,579,569, or an average of roughly \$97,371,143 a year. If we exclude the wartime consumer subsidies—which are patently not a part of our normal farm-price program—the losses on the entire price-support operations—for both basics and nonbasics—for the period beginning October 17, 1933, and ending April 30, 1955, were \$1,868,268,619, or about \$86,896,215 a year over a 22-year period.

Mr. President, these figures indicate that the losses incurred in our price-support programs are far from astronomical, as some opponents of our farm program would have us believe.

I am pleased, also, to note that this report does not attempt to bring together all farm programs, such as the REA, the Farmers' Home Administration, the Extension Service, agricultural research, and others, as was the case not long ago when the Senate Committee on Agriculture and Forestry had occasion to take testimony on our farm-price program. Senators may recall that the figures to which I refer elicited much comment in our Nation's press, which used that official United States Department of Agriculture summary as the basis of a charge that the price-support program was costing our taxpayers billions upon billions of dollars a year.

It gives me a great deal of pleasure to set the record straight and, in doing so, to use an official Department of Agriculture summary which does not include the cost of programs totally unrelated to price-support operations. I hope it will be noted that the annual average cost of this program is counted, not in billions a year, but in millions—and that the cost is a reasonable one for the result it has sought to achieve.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement indicating the authority for the price support and related programs, including the authority for the emergency feed program. I ask that this statement, together with the table to which I have just referred, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement and table were ordered to be printed in the RECORD, as follows:

COMMODITY STABILIZATION SERVICE—COMMODITY CREDIT CORPORATION

Analysis of program results from Oct. 17, 1933, through Apr. 30, 1955¹ (realized gains and losses)

Program and commodity	Oct. 17, 1933, through June 30, 1941	July 1, 1941, through June 30, 1946	July 1, 1946, through June 30, 1951	Fiscal year ended June 30—			Fiscal year 1955 through Apr. 30, 1955	Oct. 17, 1933, through Apr. 30, 1955
				1952	1953	1954		
Price support program: ¹								
Basic commodities:								
Corn	\$20,078,488	\$14,336,569	\$17,752,683	\$1,783,916	\$20,526,523	\$80,502,840	\$62,941,097	\$214,354,284
Cornmeal ²							595	595
Cotton	27,401,798	218,328,306	77,525,617	148,924	381,572	1,796,768	867,668	267,290,377
Cotton, export differential ³		27,651,360	13,709,858					
Cotton, Puerto Rican		126,011	4,187					130,198
Cotton, rubber harter		11,055,451						11,055,451
Peanuts			81,002,197	8,670,873	2,975,881	23,350,266	2,093,641	118,101,858
Rice			1,238,923	57,271	277,861	568,205	7,991,738	7,100,430
Tobacco	2,107,589	7,074,300	449,706	1,014,923	2,759,676	956,375	31,616	
Wheat	6,199,460	11,775,173	50,544,259	7,722,262	18,886,296	71,338,944	99,612,745	266,079,139
Wheat flour ²							187,047	187,047
Total	\$55,787,335	182,568,944	\$86,276,784	\$15,417,947	\$45,807,809	\$177,385,988	\$155,568,819	\$353,675,738

Footnotes at end of table.

Analysis of program results from Oct. 17, 1933, through Apr. 30, 1955 (realized gains and losses)—Continued

Program and commodity	Oct. 17, 1933, through June 30, 1941	July 1, 1941, through June 30, 1946	July 1, 1946, through June 30, 1951	Fiscal year ended June 30—			Fiscal year 1955 through Apr. 30, 1955	Oct. 17, 1933, through Apr. 30, 1955
				1952	1953	1954		
Price support program—Continued								
Designated nonbasic commodities:								
Honey			*\$875,969	\$107	\$4,924	\$8,812	*\$5,377	*\$867,503
Milk and butterfat:								
Butter			*48,328,304	41,571	*456,492	*34,794,713	*116,397,893	*199,935,831
Butter oil						*895,422	*17,716,674	*18,612,096
Cheese			*25,071,542	31,405	14,708	*12,659,476	*43,835,918	*81,520,823
Milk, dried			*56,774,048	*1,183,459	*4,798,735	*82,363,920	*82,848,852	*227,969,014
Milk, fluid							*31,340,280	*31,340,280
Whey							*387,841	*397,841
Potatoes, Irish		*\$25,197,222	*452,740,718	*85,459	*73,658	*17,884	3,963	*478,110,978
Tung oil			*77,750	*1,154	*451	*2,685	*41,125	*123,165
Wool	*\$176	*15,834,163	*76,306,520	*86,610	*15,290	*452,501	*662,604	*93,357,804
Total	*176	*41,031,385	*660,174,851	*1,283,599	*5,324,994	*131,177,789	*293,242,601	*1,132,235,395
Other nonbasic commodities:								
Barley		*40,019	*5,021,516	*2,807,078	*2,195,112	*2,047,568	*8,077,690	*20,188,983
Beans, dry edible		*179,753	*12,622,408	*15,429,183	*6,777,410	*7,093,768	*4,297,280	*46,399,802
Castor beans		*171,224	31					*171,193
Cotton, American-Egyptian		*538,573	57,956	175,206	294,665	39,547	*31	28,770
Cottonseed and products			4,908,903	2,686,612	7,701,799	*20,300,070	*44,749,329	*49,752,085
Eggs		*224,002	*155,864,008	*29,368,028	*4,256,139	92,364	*3,362	*189,623,175
Flax fiber			*397,113					*397,113
Flaxseed and linseed oil		*22,209	*60,079,116	*4,683,190	*1,422,997	*51,274,251	*20,075,205	*137,556,968
Fruit, dried		*109,489	*14,771,976	*855				*14,882,320
Grain sorghum		437,456	*36,739,539	31,638	874,126	*7,278,771	*24,696,696	*67,371,786
Grapefruit juice			*1,732,374					*1,732,374
Hemp and hemp fiber		*20,201,375	*1,256,002	*1,778				*21,459,155
Hops	*162,036	*792,164						*954,200
Naval stores	*4,435,579	5,997,861	*2,951,996	3,876	30,253	9,370	101,680	*1,244,535
Oats			*440,428	*738,889	*194,938	*4,185,553	*7,307,032	*12,866,840
Olive oil					*170	*168,362	*228,625	*397,157
Peas, dry edible		*3,012	*885,738	*655	*31			*889,436
Pecans		*3,751						*3,751
Rye	*4,575	60,751	*245,223	18,599	7,947	*68,967	*1,640,692	*1,872,160
Rye flour							7,080	7,080
Seeds		*148,193	*137,982	*537,879	*4,050,655	*17,989,413	*4,182,865	*27,046,987
Soybeans			4,386,895	1,574	*24,893	*647,855	*4,139	3,711,582
Sugar, Puerto Rican and Virgin Island			23,830					23,830
Sugar beets			*16,517,269					*16,517,269
Sweet potatoes			*135,421					*135,421
Turkeys			11,070					11,070
Vegetables, canned		*6,888	18,830					11,942
Total	*4,602,190	*15,944,584	*300,390,504	*50,650,030	*10,013,555	*110,913,297	*115,154,186	*607,668,436
Total price support	*60,389,701	125,592,975	*1,046,842,229	*67,351,576	*61,146,358	*419,477,074	*563,965,606	*2,093,579,569
Supply program: ¹								
Cotton and linters		1,592,551	283,648					1,876,199
General commodities purchase			184,688,553	*195,564	1,314,667	1,841,948	699,317	188,348,921
Grains and seeds		23,969,000	51,139,460	437,204	405,837	*233,880	*176,482	75,541,139
Oils (bulk)		29,937	872,186	6,020	9,194	*47,287	77,548	947,598
Processed and packaged commodities			38,918,857	162,193	23,559	136,460	23,072	39,264,141
Sugar, Puerto Rican raw			36,590		9,439	13,702		59,731
Tobacco		4,179,335	588,749					4,768,084
Other		*3,120,517	*293,533					*3,414,050
Total supply program		26,650,306	276,234,510	409,853	1,762,696	1,710,943	623,455	307,391,763
Foreign purchase program: ²								
Cotton		5,439,464	458,888	*2,617				5,895,735
Fats and oils		22,543,441	16,374,717	*2,550				38,915,608
Foodstuffs		4,620,232	1,053,486	9,770	*2,616	15,970	5,956	5,702,798
Other		*274,627	45,509	53,378				*175,740
Total foreign purchase		32,328,510	17,932,600	57,981	*2,616	15,970	5,956	50,338,401
Emergency feed program:								
Corn						*16,451,228	*522,336	*16,973,564
Cottonseed meal						*17,593,792	75,977	*17,517,815
Oats						*3,933,092	*3,168	*3,966,260
Wheat						*3,354,725	*164,704	*3,519,429
Total emergency feed program						*41,332,837	*644,231	*41,977,063
Commodity export program:								
Cotton		*7,098,694	*5,439,964	1,494				*12,537,164
Wheat		*1,209,445	*618			*26,087,494	*35,832,167	*63,129,724
Total commodity export		*8,308,139	*5,440,582	1,494		*26,087,494	*35,832,167	*75,666,888
Storage facilities program		*10,087,438	*441,539	*1,628,947	121,488	231,341	*78,417	*11,883,512
Accounts and notes receivable (Chargeoffs)		11,134	*1,342,301	*196,247	*253,682	*572,211	*538,439	*2,891,746
Total (excluding wartime consumer sub-								
sidy costs) ¹²	*60,389,701	166,187,348	*759,899,541	*68,707,442	*59,518,472	*485,511,362	*600,429,449	*1,868,268,619
Wartime consumer subsidy program ¹³		*2,130,581,589	28,253,347	266,423	74,623	*107,991	*92,535	*2,102,187,722
Grand total	*60,389,701	*1,964,394,241	*731,646,194	*68,441,019	*59,443,849	*485,619,353	*600,521,984	*3,970,456,341

¹ Allocation of losses and gains as between price-support program and supply program for the period prior to the fiscal year 1947 was made on the basis of an analysis completed in April 1949. Since accounting records maintained prior to July 1, 1946, did not provide for this segregation, it was necessary to analyze program results in detail and in some cases make an estimate of the distribution between price support and supply of the total operating result as shown by the accounting records. This analysis was based on all known factors concerning the operations with respect to each commodity.

² Acquired by exchange of price-support commodities.

³ Includes export differential on owned or pooled cotton only. Differential on exporters' cotton included under "Commodity export program."

⁴ Includes price-support loss of \$2,829,639 on the 1943 and 1944 potato programs, which was formerly included under "General commodities purchase program."

⁵ Includes price-support loss of \$11,956,386 on the 1944 egg program, which was formerly included under "General commodities purchase program."

⁶ Amounts recovered or to be recovered from appropriations authorized in certain acts of the Congress, as detailed on schedule 8a, are not reflected as losses.

⁷ Portion of overall supply and foreign purchase program effective July 1, 1952.

⁸ Includes gain of \$178,697,602 carried as "Special reserve—General commodities purchase program" as of June 30, 1946, and transferred to income in May 1947. Also see footnotes 4 and 5.

⁹ During the period July 1, 1946, through June 30, 1949, activity under this program was reported as "General supply program."

¹⁰ Insofar as possible, operating results have been retroactively classified to correspond with current budgetary programs. In some instances, the accounts maintained prior to July 1, 1946, did not make possible a precise segregation of the results of foreign procurement operations.

¹¹ Includes export differential on exporters' cotton only.

¹² Includes losses totaling \$56,239,432 on price-support commodities disposed of in accordance with Public Laws 389 and 393, 80th Cong., 1. e., transferred to foreign assistance outlets at a price equal to price of a quantity of wheat having calorie value. The Corporation was reimbursed for these losses by the Secretary of the Treasury.

¹³ Subsidy losses on corn for alcohol, wheat for alcohol, and wheat for feed are included on an estimated basis. This program in process of liquidation since July 1, 1949. For detail of subsidy costs by commodities by fiscal year prior to that date, see report of financial condition and operations as of June 30, 1949.

*Denotes loss.

14. FARM LOANS. Passed without amendment S. 1755, to provide that the rate of interest on USDA disaster loans shall not exceed 3% per annum (p. 7947). The Agriculture Committee earlier in the day reported this bill without amendment (H. Rept. 915) (p. 7954). This bill will now be sent to the President.
15. EMERGENCY LOANS. Passed without amendment S. 1582, to extend until 1957 the period for making emergency loans for agricultural purposes (p. 7947). This bill will now be sent to the President.
16. TRAVEL EXPENSE. House conferees were appointed on H. R. 6295, to provide an increased maximum per diem and mileage allowance for subsistence and travel expenses (pp. 7942-3). Senate conferees were appointed June 22.
17. APPROPRIATIONS. House conferees were appointed on H. R. 6367, Commerce and related agencies appropriation bill for 1956. Senate conferees were appointed June 16.
House conferees were appointed on H. R. 6239, the D. C. appropriation bill for 1956 (p. 7914). Senate conferees were appointed June 23.
18. ORGANIZATION. Received from the Hoover Commission a report on the Business Organization of the Department of Defense; to Armed Services Committee (H. Doc. 196) (p. 7954).
19. TRADE AGREEMENTS. The Ways and Means Committee reported with amendment H. R. 6059, to authorize the President to enter into an agreement with the Philippines to revise the 1946 trade agreement between the two countries (H. Rept. 934) (p. 7954).
20. RESERVE FORCES. The Armed Services Committee ordered reported H. R. 7000, the new Armed Forces Reserve bill (p. D623).
21. GOVERNMENT COMPETITION. The Government Operations Committee ordered reported H. R. 279, to provide for the termination of Government operations which are in competition with private enterprise (p. D623).
22. PUBLIC WORKS. Passed, 317 to 2, with amendments H. R. 6829, to authorize certain construction at military, naval, and Air Force installations, which includes a revision of the provision for financing certain military housing in foreign countries through the furnishing of surplus agricultural commodities (pp. 7921-42).
23. LEGISLATIVE PROGRAM. Rep. McCormack announced that the FOA bill will be the next order of business to be followed by the conference report on the selective service bill, the atomic energy authorization bill, the military reserve bill, the housing bill, the social security amendments, and the Mexican farm labor bill. Agreed to call the Consent Calendar on July 5. (pp. 7914-5.)

BILLS INTRODUCED

24. ATTORNEYS. S. 2326, by Sen. Eastland, to require any attorney at law practicing before a Federal court, or appearing before a congressional committee as counsel for a witness testifying before such committee, or appearing as counsel before any department or agency in the executive branch of the Government of the United States, to file a non-Communist affidavit; to Judiciary Committee (p. 7862). Remarks of author (pp. 7863-4).

25. PERSONNEL. S. 2331, by Sen. Carlson, to provide for improvement in the system of personnel administration through the establishment of a senior civil service in accordance with the recommendations of the Commission on Organization of the Executive Branch of the Government; to Post Office and Civil Service Committee (p. 7863). Remarks of author (p. 7865).
- S. 2332, by Sen. Carlson, relating to the simplification of the general schedule of the Classification Act of 1949, as amended; to Post Office and Civil Service Committee (p. 7863). Remarks of author (p. 7865).
- S. 2333, by Sen. Carlson, relating to the certification of eligibles under the civil-service laws; to Post Office and Civil Service Committee (p. 7863). Remarks of author (p. 7865).
- S. 2334, by Sen. Carlson, providing for a simplified performance rating system for Federal employees; to Post Office and Civil Service Committee (p. 7863). Remarks of author (p. 7865).
- S. 2335, by Sen. Carlson, relating to appeals by veterans under section 114 of the Veterans' Preference Act of 1944; to Post Office and Civil Service Committee (p. 7863). Remarks of author (p. 7865).
- S. 2336, by Sen. Carlson, relating to reduction in personnel procedure and preference of veterans; to Post Office and Civil Service Committee (p. 7863). Remarks of author (p. 7865).
- S. 2337, by Sen. Carlson, relating to the transfer of Federal employees from the classified civil service to another personnel merit system; to Post Office and Civil Service Committee (p. 7863). Remarks of author (p. 7865).
26. HOUSING, SMALL BUSINESS. S. J. Res. 85, by Sen. Fulbright, to extend for temporary periods certain housing programs, the Small Business Act of 1953, and the Defense Production Act of 1950; placed on the calendar (p. 7863). Remarks of author (p. 7862).
27. PERSONNEL; PAYROLLING. H. R. 7008, by Rep. Barrett, to amend Public Law 587 by permitting the withholding by the Federal Government from wages of employees certain taxes imposed by municipalities; to Ways and Means Committee (p. 7955).
28. LANDS. H. R. 7023, by Rep. Seely-Brown, to provide for the conveyance of certain land of the United States to the State of Connecticut; to Agriculture Committee (p. 7955).
29. SUGAR. H. R. 7030, by Rep. Cooley, "to amend and extend the Sugar Act of 1948 as amended;" to Agriculture Committee (p. 7955).
30. GOVERNMENT COMPETITION. H. R. 7032, by Rep. Hoffman, Mich., to provide for the termination of Government operations which are in competition with private enterprise; to Government Operations Committee (p. 7955).

ITEMS IN APPENDIX

31. CONSERVATION. Rep. Bailey inserted a speech by a West Virginia farmer discussing the value of soil conservation practices in the prevention of floods and conservation of water supply (p. A4640).
32. ACREAGE ALLOTMENTS. Sen. Jackson inserted a report stating that the cutback in sugar beet acreage in Washington State is depriving farmers of one of their best cash crops (pp. A4642-3).

(c) The Commission is authorized to start the project set forth in subsection 101 (k) only if the currently estimated cost of the project does not exceed the estimated cost set forth for that project.

(d) The Commission is authorized to start a project under subsection 101 (l) only if it is in accordance with the following:

1. For community operations, the maximum currently estimated cost of any project shall be \$100,000 and the maximum currently estimated cost of any building included in such project shall be \$10,000.

2. For all other programs, the maximum currently estimated cost of any project shall be \$500,000 and the maximum currently estimated cost of any building included in such a project shall be \$100,000.

3. The total cost of all projects undertaken under subsection 101 (l) shall not exceed the estimated cost set forth in that subsection by more than 10 percent.

SEC. 103. There are hereby authorized to be appropriated funds for advance planning, construction design, and architectural services, in connection with projects which are not otherwise authorized by law, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

SEC. 104. There are hereby authorized to be appropriated funds necessary to restore or to replace plants or facilities destroyed or otherwise seriously damaged, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

SEC. 105. In addition to the sums authorized to be appropriated to the Atomic Energy Commission by section 101 of this act, there are hereby authorized to be appropriated to the Atomic Energy Commission to accomplish the purposes of this act such sums of money as may be currently available to the Atomic Energy Commission.

SEC. 106. Funds authorized to be appropriated or otherwise made available by this act may be used to start any other new project for which an estimate was not included in this act if it be a substitute for a project authorized in subsections 101 (a), 101 (d), or 101 (f), and the estimated cost thereof is within the limit of cost of the project for which substitution is to be made, and the Commission certifies that—

(a) the new project is essential to the common defense and security; and

(b) the new project is required by changes in weapon characteristics or weapon logistic operations;

(c) it is unable to enter into a contract with any person, including a licensee, on terms satisfactory to the Commission to furnish from a privately owned plant or facility the product or services to be provided in the new project.

Mr. DURHAM (interrupting the reading). Mr. Chairman, I ask unanimous consent that the bill may be considered as read and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. Are there amendments? [After a pause.] There being no amendments, under the rule the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. McCARTHY, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee having had under consideration the bill (H. R. 6795) to authorize appropriations for the Atomic Energy Com-

mission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes, pursuant to House Resolution 283, he reported the same back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

INTEREST RATE ON CERTAIN LOANS

Mr. POAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1755) to amend the act of April 6, 1949, as amended, and the act of August 31, 1954, so as to provide that the rate of interest on certain loans made under such acts shall not exceed 3 percent per annum.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN. Mr. Speaker, reserving the right to object, I understand that this legislation that takes away from the Department of Agriculture the power to fix interest rates and sets the rate at 3 percent.

Mr. POAGE. It fixes the rate of at 3 percent. It now is discretionary with the Department, and some of these loans are being made at 5 percent, others are, I believe, at 3 percent. This bill fixes the rate of 3 percent.

Mr. MARTIN. This is disaster loans?

Mr. POAGE. It covers two different types of disaster loans; I believe this gets all disaster loans on a 3 percent basis, although there will still be some of what might be called commercial loans on which the Secretary can charge 5 percent. These are all disaster loans, but there are two different types of disaster loans. There is the loan that covers your country in New England, there is the loan that covers the disaster on account of the drought in the western part of the country, but they are not under the same law. This covers both of them.

Mr. MARTIN. This is by unanimous vote of the committee?

Mr. POAGE. No; there was one vote against it.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (a) of section 2 of the act of April 6, 1949, as amended (63 Stat. 43; 12 U. S. C., sec. 1148a-2 (a)), is amended by striking out the last sentence of such subsection and inserting in lieu thereof the following: "Such loans shall be made at such rate of interest, not to exceed 3 percent per annum, and on such general terms and conditions as the Secretary shall prescribe for such area or region."

SEC. 2. Subsection (b) of section 2 of the act of April 6, 1949, as amended (12 U. S. C., sec. 1148a-2 (b)), is amended by striking out the last sentence of such subsection and inserting in lieu thereof the following: "Such loans shall be made at such rate of

interest, not to exceed 3 percent per annum, and on such general terms as the Secretary shall prescribe for such area."

SEC. 3. Clause (4) of section 2 of the act entitled "An act to provide emergency credit", approved August 31, 1954 (68 Stat. 999), is amended to read as follows: "be made at such rate of interest, not to exceed 3 percent per annum, and on such terms and conditions as the Secretary shall prescribe for such area or areas; and".

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMERGENCY LOANS FOR AGRICULTURAL PURPOSES

Mr. POAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1582) to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN. Mr. Speaker, reserving the right to object, this is the legislation that our colleague from Maine [Mr. McIntire] was interested in?

Mr. POAGE. The Senate bill is identical with the McIntire bill and relates to the New England disaster.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the first sentence of the act entitled "An act to provide emergency credit", approved August 31, 1954 (Public Law 727, 83d Cong.), is amended by striking out "1955" and inserting in lieu thereof "1957."

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. R. 5822) was laid on the table.

A motion to reconsider was laid on the table.

HARMFUL TARIFF POLICY

(Mr. PHILBIN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PHILBIN. Mr. Speaker, I was greatly surprised to learn recently that our Government has made further concessions to the Japanese regarding entry to this country of certain textile cotton fabrics widely utilized by the American people. I was under the impression, from reading preliminary reports concerning these concessions, that they involved no greater than 40 percent decrease in current rates. That would be extremely unfavorable to the textile industry, to be sure. But it has come to my notice since that time, upon further analysis of the question, that the American Cotton Institute, Inc., estimates that in a textile market already entered freely by the Japanese, existing tariff rates have been slashed as much as 50 percent.

Now I think I have made it perfectly clear in my previous statements that I

favor a sensible and forward-looking approach to the question of reciprocal trade. I am not opposed to the principle of reciprocal trade. I think it has decided merit and advantages. If properly implemented, it could be helpful in strengthening our foreign relations and in promoting national and world trade. But I am of the opinion that in many of the negotiations our Nation has made concessions to foreign countries far beyond the scope intended by Congress and certainly some of which have been exceedingly detrimental and damaging to many American industries.

I recognize that by all means we should move in ways, consistent with our own self-interest and the welfare of our industry and people, to assist the Japanese to rebuild and, where necessary, to reshape their economy within the orbit of the free world. But I submit that the present agreements are very harmful to our own textile industry and to other industries and will inevitably bring added deflationary forces into play in this country and result in additional unemployment in areas already beset by very serious unemployment.

I am informed that the new agreements are giving the Japanese a guaranty of excess profits on 75 to 85 percent of cotton fabrics worn by the American people and are in effect a guaranty of excess profits on each yard of cloth, a figure which is larger than the profit per yard being earned by American mills. This is so, I am informed, because Japanese goods are being sold here in quantity in competition with American-made goods.

I have scrutinized detailed documentation to bear out the above contentions, but it is too voluminous to insert in the Record. Apparently the cuts affect print cloth woven of medium weight yarn, which constitutes the larger parts of American cotton production.

On unbleached cotton cloth from Japan, for example, the ad valorem in these ranges is reduced about 27 percent. The Japanese agreement also reduces the minimum specific duties by 25 percent, despite a special differential to provide a measure of protection on bleached, printed, dyed, or colored cotton cloth woven of medium weight yarns, adopted in 1936 and maintained for the past 19 years.

Under the present agreement, the 1936 rate differential has been abolished, together with the preexisting value differential. The Geneva agreement slashed these tariff rates by about 48 percent. It is very interesting to note the changed relationship the new rates impose on profits from Japanese and American goods sold in our own markets. On one of the basic fabrics the tariff cut is twice as large as the United States mills' profit on the cloth. It should be pointed out also that Japanese mills use twice as much foreign-grown cotton as American cotton.

Another major fact is that imports of cotton cloth have been rising rapidly even under the old higher tariff rates. For instance, in the first quarter of 1955 these imports were double those for the first quarter of 1954 and the

Japanese imports represent two-thirds of the total. It can readily be seen, therefore, that under the new tariff rates in this basic category, which has sustained a 48-percent cut in the rates, there will automatically be a further increase in the already rapidly expanding imports of printed, dyed, and colored cotton cloth from Japan.

Of greatest concern to my district and to me is the fact that the agreements did not stop with cotton cloth. They have unreasonably imposed very substantial cuts on other cotton textile items such as towels and rugs. One major type of towel was cut from a rate of 40 percent to 20 percent; cotton sheets and pillowcases, from 20 percent to 12½ percent, cotton chenille rugs also from 40 percent to 20 percent.

I would be less than frank if I did not express my sense of shock, distress, and strong disapproval concerning these incredible slashes in existing protective rates in these categories in the textile industry. I think that this particular agreement is a good sample of the unscientific, discriminatory operation of the trade treaties. It is obvious to me that in the process of establishing these rates far more consideration was given to setting up a formula by which Japan would be assured of very profitable trading with this country than to the most important question of maintaining the health and prosperity of a great American industry, which in my region alone employs over 200,000 people in periods of prosperity.

The bizarre economic theory that lies behind this agreement challenges every canon of common sense and every dictate of the true interests of a great American industry. Unquestionably, the results will inflict serious damage upon this industry, which for one reason or another, is already having its troubles. If such a rule is applied, across the board, as well may be the case, to other industries, the overall results could very understandably be, not only damaging, but disastrous, to many parts of the American economy. With all sincerity and vehemence, I protest against this policy of economic folly and stagnation.

I hope that measures may be taken at an early date to forestall the damaging effects that are bound to ensue if the current agreements are fully implemented.

In include herein as part of my remarks an interesting, forceful article entitled "In a Textile Market Already Entered Freely by the Japanese, Existing Tariff Rates Have Been Slashed as Much as 50 Percent," prepared by the American Cotton Manufacturers Institute, Inc.:

IN A TEXTILE MARKET ALREADY ENTERED FREELY BY THE JAPANESE, EXISTING TARIFF RATES HAVE BEEN SLASHED AS MUCH AS 50 PERCENT

The bellwether fabric of the textile industry is a print cloth 39 inches wide, 4 yards to the pound of cotton, with 80 threads to the inch in both directions (80 square).

Eighty-square print cloth is the single, most important fabric in the industry.

This construction alone, out of the industry's entire range of products, accounts for 750 million yards of annual production.

The reduction of duty on 80 square amounts to 3.3 cents per pound or eight-tenths of a cent per yard.

Eighty-square (grey goods) has been selling in New York for 18¾ cents per yard.

The average profit on sales after taxes earned by United States grey goods mills in 1954 was about 2 percent.

The United States mill's profit on this cloth in the grey is currently about four-tenths of a cent per yard on the average.

Therefore the tariff cut is twice as large as the United States mill's profit on the cloth.

This tariff cut is comparable to 3.3 cents per pound import subsidy on raw cotton.

(The above example is taken from the grey cloth classification where the minimum tariff cut occurred. The same cloth, when bleached, dyed, or printed, is given a 48 percent tariff reduction, the equivalent of 1½ cents per yard.)

TEXTILE TARIFF CUTS AT GENEVA

At Geneva this spring the United States Government agreed to cut sharply its tariff on cotton textiles imported from Japan.

Previously, practically all cotton cloth imports have paid different rates of tariff depending upon whether they were valued above or below certain prices. This value differential was a recognition that the United States textile industry was entitled to more protection against the Japanese industry with its low oriental wage-price scales than as against the industry of Western Europe. For unbleached (grey) cotton cloth the value brackets were above and below 70 cents per pound for most types of cloth. This differential implied nothing so far as quality of product is concerned. Identical cloth imported from Britain and Japan might pay different rates of duty because British prices were above 70 cents and Japanese below. There were similar value divisions in the tariff schedules for bleached cotton cloth and for printed, dyed, or colored cotton cloth.

At Geneva these value differentials were abolished. The lower rates were made applicable to all imports of the same cloth regardless of value.

The major part of the American cotton cloth production is woven of medium weight yarns. Here, too, is concentrated the greatest Japanese import competition potential. On unbleached cotton cloth from Japan the ad valorem tariff in these ranges is reduced about 27 percent. The tariff schedule for unbleached cotton cloth provides a minimum specific duty of so many cents per pound of cloth imported which must be paid whenever the tariff calculated as a percent of value would result in a smaller payment. The Geneva agreement reduces these minimum specific duties by 25 percent.

On June 20, 1936, President Franklin D. Roosevelt, on the advice of Secretary of State Cordell Hull, the father of the reciprocal trade program, proclaimed sharp increases in the lower bracket tariff rates on bleached, printed, dyed, or colored cotton cloths woven of medium weight yarns. This was done to give the domestic industry needed protection against the emerging Japanese threat. The Japanese import competition, then as now, was potentially the greatest in these ranges, and in bleached, finished, dyed, or colored cloths, for the additional processing involved in those operations multiplies the Japanese 10 to 1 labor cost advantage. This special differential has been maintained for 19 years.

Now, just as the Japanese threat to the American cotton textile industry is once again becoming a serious matter, the State Department has abolished the 1936 rate differential and in addition abolished the preexisting value differential. Here the Geneva agreement cuts the tariff rates by about 48 percent.

Public Law 117 - 84th Congress
Chapter 249 - 1st Session
S. 1582

AN ACT

All 69 Stat. 223.

To amend Public Law 727, Eighty-third Congress, so as to extend the period
for the making of emergency loans for agricultural purposes.

*Be it enacted by the Senate and House of Representatives of the
United States of America in Congress assembled,* That the first sen-
tence of the Act entitled "An Act to provide emergency credit",
approved August 31, 1954 (Public Law 727, Eighty-third Congress),
is amended by striking out "1955" and inserting in lieu thereof "1957".

Agriculture.
Emergency
loans.
68 Stat. 999.
12 USC 1141a-1
note.

Approved June 30, 1955.

